CHAPTER: II

REVIEW OF LITERATURE

2.1 WOMEN ENTREPRENEURS:

Kapoor, Neha Kapoor,(2010), in her book talks about Self -Help Groups in India with specific reference to women living in Himachal Pradesh. This book consists of seven chapters. The first one is an introductory chapter containing some basic information and performance of Self-Help Groups in India; as also an introduction to Himachal Pradesh with special reference to District Kangra. The second chapter throws light on Self-Help Groups (SHGs) in the district. Fourth and fifth chapters are related to income profile of SHGs and SHGs' Women Empowerment respectively. In the Sixth and Seventh Chapters, financial independence of women and SHGs' comparative roles in India have been analyzed respectively.

Brinda Kalyani P R and Dileep Kumar M, (2011), the authors discussed the requirement of capital for a business venture which is the same for all kinds of business. They found that, the women entrepreneurs also realize the importance of sales turn over and net profit though the factors like desire to become independent and be as their own boss are influencing them, this research indicates the importance they have given to major factors business viz., sales turn over and net profit. This is a change we observe from past researches that the women entrepreneurs are giving less importance to profitability based on sales, the findings of the present research well pointed out the importance given by women in analyzing market potential, economic need and profit.

Meenu Goyal and Jai Prakash (2011) give reasons why women become entrepreneurs is due to scope of innovative thinking, family support and needs. According to authors needs for additional income and freedom to become financially independent makes them to join SHGs, but the problems are too many as women have to face stiff competition from men which then lacks self-confidence and will power, which makes them to feel helpless. An awareness program, training and development should be arranged by the govt. agencies.
Tulasimala.B and Archana M., (2011), discuss about the need for the development of Rural Women Entrepreneurship to overcome gender imbalances and promote rural development. It has significant positive implications at both community and economy level. However entrepreneurship development is a gradual and deliberate process. It is to be understood that factors are identified and operations are to be installed on ways which can induce, nurture and promote entrepreneurial abilities among women. They can be broadly categorized into Regulative factors, normative factors and Cognitive factors.

Archana H.N and Kokila H.S(2012), mention about how the Central and State Governments have taken several measures for the last 50 years in empowering women entrepreneurship. Today’s women are faced with number of challenges like Employment, credit facilities, training, awareness generation, income-generating activities etc. The need of the hour is economic independence of women. To translate this hope into reality, the Department of Women and Child Welfare has taken up various projects directed towards advancement of women. Government at the Centre as well at the State have developed several schemes and Programs such as STEP, NRLM etc. for the Support of entrepreneurs in general and for women entrepreneurs.

Anitha.H. S and Narendra K, (2013), attempt to study the concepts of e-commerce and address the marketing issues rural women who deal with handicrafts and find the marketing of products as a big challenge. They recommend e-commerce tools to help the women venture into all areas to market the products.

Bhagya G.B (2013) mentions about women entrepreneurs and the challenges of women in rural areas who have very low or moderate education which leaves them behind with challenge in the competitive world. The acceptance of women being in business is accepted by the urban mass and yet to trickle down to the rural. Women being considered are associated to the family and nurturing the child at home. Communicating the benefits of being an entrepreneur should be able to enhance her status. The author recommends forming of committee of people to train and sharpen the skills of women.
Md. Jahirul Hoque, Md. Azizur Rahman and Sultana Raziahave, (2013), have highlighted about women entrepreneurship in Bangladesh, the women entrepreneurs, who have accepted the challenges of life and have emerged as leaders in the socio-economic development, earn for themselves and for their families or contributing towards the socio-political upliftment of the women. The author mentions about the Islamic law and its interpretation on equality of both men and women. In Bangladesh, women have now become more aware of their socio-economic rights than before. As a whole, they are now contributing much to the growth of the economy, generation of employment opportunities and enhancement of productivity of the country.

Kiran. R. Rao (2013), made a SWOT analysis of rural women entrepreneurs and have concluded that the financial institutions are skeptical about the entrepreneurial abilities of women. It is studied that the social rural environment is not conducive to the development of rural women entrepreneurs or entrepreneurship. Growth of Mall culture is the greatest deterrent to rural women entrepreneurs.

Paramashivaiah R and Ramya. S.K (2013), mention that women empowerment and financial self – efficiency is achieved through entrepreneurial activities. Many NGOs have been training women in this direction. Plenty of women have successful in the field of business and achieved fame globally. Generally, women in the urban areas have been engaging in trade and business activities, at least, in small scale. As the concept of urbanization of rural is the order of the day, government focusing on development infrastructure at the gross route level, and also, encouraging rural women to set up business or self – employment activities, women in the rural areas are gradually coming forward to start up enterprises through which enhancing their level of socio-economic status, because of its success in many cases, rural entrepreneurship has been gaining popularity. Although women entrepreneurs are being inspired by the success stories, there are instances of obstacles to it. Hence, studying the triggers and barriers to rural women entrepreneurship is a concern.

Rekha Venugopal & Dr. Harikrishna Nair (2013), mention about the Government Policies and initiatives to Promote Woman Entrepreneurship by mentioning that there has been several paradigm shifts in the policy framework development of the government in accentuating a sense of entrepreneurship among rural women, from the concept of ‘welfare’ in the 70s to ‘development’ in the 80s to ‘empowerment’ in 90s.
Employment, credit facilities, training, awareness generation etc are the major measures followed by the Government of both Centre and State to emancipate the sense of entrepreneurship among women. Support of Training and Employment Program (STEP) of the Government focuses mainly on helping the women a to increase their income level by upgrading their skills in the traditional sectors like dairy development, animal husbandry, handloom and social forestry.

**Sarmistha Nandy and Shalini Kumar (2014),** mentioned about the need to create platforms and networks and entrepreneurial culture. The paper deals with how women are motivated by gender inequality problems. The Indian women have to achieve their goals facing lot of challenges because there are lots of social barriers. At the present era, women participation in financial activities is marked by low work participation rate. India provides a good example of women entrepreneurship.

**Sangwan and Gagan Deep, (2015)** conducted a primary study in Himachal Pradesh and Haryana. They concluded that repeated loans by SHG’s were more in HP than in Haryana. NGO’s support members in Himachal Pradesh by maturing, grading and checking the accounts of the groups. In Haryana, the NGO’s were relatively smaller and less professional.

2.2 WOMEN EMPOWERMENT:

**Meenakshi Malhotra (2010),** mentions in her book about the options for women empowerment by looking into various micro credit schemes for rural women. The author mentions about the micro finance movement in India, challenges and opportunities for women have been highlighted and gender issues have been taken up in detail.

**Mohindra, (2010),** Poverty and ill health are intertwined; therefore, social responses need to address the links between the two. There has been increasing attention paid towards the role of microcredit as a poverty alleviation strategy (that especially targets women), yet little scrutiny of how microcredit may influence population health in general and women’s health in particular. In this book, we ask: can microcredit be considered a “pro-health” poverty alleviation strategy for women? Using a multi-disciplinary approach, the linkages between poverty alleviation and women's health are investigated from both a theoretical and empirical perspective.
The theoretical perspective draws upon Amartya Sen's capability approach and population health models and theories. The empirical perspective is based on a study examining female participation in self-help groups (a form of microcredit) and their health in the South Indian state of Kerala.

Aswatha Narayan and Srikanth R (2011) feel the urgency of rural women’s empowerment which has steadily moved to the forefront of the attention of policy makers, development practitioners and activists. An in-depth discussion on the situation and empowerment of women in rural areas bring to economic growth and the fight against the hunger, malnutrition and poverty rural women and their role in rural development is therefore long overdue. There is a need to assess critically whether past efforts have brought the expected results-and if not, how to change course. Integrated rural development programme: - The main objectives of integrated rural development Programme is to increase the income generating power of family who are below the poverty line to alleviate the poverty. The impact technical & entrepreneurial skills & rise the income level of the poor. Some of the major employment & anti-poverty programme areas IRDP (Integrated Rural Development Programme):- and its allied programmes.

i. TRYSEM (Training Rural Youth for Self-Employment)

ii. DWCRA (Development of Women and Children in Rural Areas)

Dhruba hazarika, (2011), mentions about women constituting almost 50% of the world’s population but India has shown disproportionate sex ratio whereby female’s population has been comparatively lower than males. As far as their social status is concerned, they are not treated as equal to men. The 73rd &74th Amendment of the constitution of India has provided some special powers to women as far as reservation of seats is concerned. The issue of economic empowerment of women is of paramount importance to political thinkers, social thinkers and reformers.

Dayananda Swamy M.S and Shekara Gowda Mitta, (2011), assess the role of women and feel that due to cultural and traditional aspects, a women’s presence has been a question that has been a question of survival, women, especially poor members, who must divide their time between work “productive role” and family “reproductive” and balancing all the demands. Time is valuable for these women, as
their livelihoods depend largely on their ability to fulfill the multiple demands of the household and marketplace. In spite of the remarkable importance of women’s participation, their jobs have been considered as an extra income to family survival or simply to improve its living conditions. Moreover, micro enterprises owned by women have been considered as a way to meet primary needs instead of a profitable source of income.

**Hundekar. S. G and Makandar. S .M (2011)** observe that SHG are realized to be a proven model to address the issues of poverty alleviation and women empowerment. In India SHGs represent a unique approach to financial intermediation which are formed and supported by NGOs or Govt. Agencies, linked not only to banks but also to wider development programmes. SHGs are seen to confer many benefits, both economic and social, SHGs enable women to grow their savings and to access the credit which banks are increasingly willing to lend. Study was undertaken to see whether these facilities have helped to come out of poverty. Generally, SHGs are expected to be platforms for women to help themselves for their social and economic empowerment suggests that SHGs basic philosophy lies in the principle of their self-management and self-regulations. Initial activities that groups generally do include community education, information dissemination on health and hygiene mutual support by way of inter loaning, income generation activities, services and advocacy, found from the purpose of loan received from various sources that the loans as used for the repaying the past loans and meeting family expenditures. It is found that religion of majority members was from Hindu which reflects the Indian society. Majority of the respondents leave in nuclear family, they don’t have elders in their, which would fetch them income, SHG has become a tool for social change and also a financing system, especially for women, just in last two decades there is a tremendous improvement in the number of Govt. and non-govt. agencies involving in the promotion of SHGs in the state. Women as a significant human resource can play their effectively if they are provided equal opportunities and status as those of the men. They need to be enabled to use improved technology in their daily activities for which relevant education and training are to be imparted to the same measures, as they are available to men. However, equal opportunities and status are only two dimensions of empowerment which is a way of defining, challenging and overcoming barriers in one’s life through which an individual increase one’s ability to shape up
her life and environment. Women’s empowerment is critical to ensure the socio-economic development of any community. In order to bring women into the mainstream and to encourage their participation in the process of national development has, therefore, been a major concern of the govt.

Subramanyeswari B and Chander M (2011), have mentioned about gender dynamics in organic family which is believed to empower women. Animal husbandry activities were performed by both men and women but decision making is rested with men only. The authors recommended that studies should made to compare the conventional and organic agricultural systems along gender dimensions so to know to what extent organic agriculture is helping in achieving the millennium goal of gender equality and women’s empowerment.

Sajini. V. K (2011), mentions how over the past decade, the microfinance sector has been growing in India at a fairly steady pace. Microfinance is one of the practical development strategies and approaches that has been discovered and implemented for sustainable development and has been used as a means to foster inclusive growth in the Indian economy. Micro enterprises self-development activities and household enterprises, now considered as essential factors for achieving social and economic development. Microfinance programmes are intended to reach poor segments of society as they lack access to financial services. Increasingly microfinance population and those in the informal sector. Self-help Group-Bank linkage programme and NGOs/MFIs are playing a very important role in the process of financial inclusion and women empowerment. Microfinance is necessary to create confidence for economic self-reliance of the rural poor, particularly among rural women who are mostly invisible in the social structure. Against this background, this paper makes a case for microfinance as an effective strategy for financial inclusion and women empowerment in India.

Usha Prakash (2011) mentions that in 2002, the annual UNCTAD report on E-Commerce and Development hailed e-commerce as a “potential goldmine” for rural women in the developing countries because of its great potential for women’s empowerment. Accordingly, the interest of development agencies, scholars and activists in e-commerce projects has identified significantly over the past 5 years.
Vilas. M. Kadrolkar (2011), mentions that India’s performance in recent years has been among the best in the world. Growth may be higher in the last two decades but inclusive growth has been missing. The income distribution has been unequal and only some sections of the population are benefited more from higher growth and prosperity. Exclusion continued in terms low agriculture growth with increasing visibility in farmers’ suicides. Low quality employment growth, inadequate development of women and children, concentration of poverty and low human development, increase in rural urban divides and regional disparities. Among the poor, women are considered the most disadvantaged burden of household chores on them. Self-help group approach is the key element in social mobilization. The micro finance project intervention in terms of formation and stabilization of SHGs for extending credit support and promotion of thrift to promote viable economic activities is significant.

Sarbani Mohanty and S.K. Pattanayak, (2012), have highlighted in their paper that according to 2011 census women constitute 48.46% of the country’s population of 1210.19 million (Census of India, 2011). They comprise of 96% of the workforce in the unorganized sector in the country i.e., in fields, construction and other such sectors. On the contrary, in the organized sector, the proportion of women stands at 15%. Creation of self-help groups in rural India has given an opportunity to the women, not only to add to the family income but also contribute to the GDP of national economy. A study of UNICEF has acknowledged the great contribution of the women members of SHG in the areas of education, health requirement and hygienic food intake of the family. It has indeed improved the quality of life.

Shripathi Kalluraya P and Preethi K A, (2012), mention about the inclusive growth that encompasses ideas related to basic needs and equality thereby taking all with growth. It focuses on broad-based growth, results of which reach all strata of society. It seeks to be bridge the various divides that may fragment the society. Reduction in poverty and disparities of income and ensuring everyone on a basic minimum standard of living are the objectives of inclusive growth. In this context, access to finance by the poor and vulnerable groups has to be recognised as a prerequisite for poverty reduction and social cohesion. The question before is how to extent the scope of activities of the organised financial system. In view of this, the
paper attempts to provide discussion on the financial inclusion programmes in India basically with reference to financial to poor and women empowerment. The objectives of the study is to analyse national agenda for reforms in the financial sector with key issues on financial inclusion and to evaluate the financial inclusion programmes in India in terms of financing poor, financing women empowerment activities.

Sheena and Umesh U,(2012), have studied the women empowerment as one of the strategies the socio-economic poverty and the SHG movement through saving has been taken up as a mass movement by women a path chosen by them to shape their density for better, development agenda of the state in last few years placing the women in the forefront. This has enabled formation of a large number of SHG throughout the state and majority of women are saving one rupee a day. Government of India is consciously making an effort to assist SHGs by providing revolving fund / matching grant under various programs. Present study highlights on the social role of SHGs their outreach and their sustainability.

Vasundharadevi.C..H et all (2012), mention that the Development of women has been a policy objective of the government since independence. Until the 70s the concept of women’s development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non-government bodies have paid increasing attention to women’s economic contribution through self-employment and industrial ventures.

Parameshwara, (2012), understands the income generating activities through SHG in Belthangady taluk of Karnataka state where majority of the members of the SHG in this study are women and an attempt has been made to know the role of these women in income generating activities, The Study also focuses the role of Sri Kshetra Dharmastala Rural Development Project a NGO is promoting SHGs and IGAs. In the nutshell, SHGs helps rural women in generating employment, income and planned expenditure of their earnings, thereby enhancing Quality of Working Life. According to the author, SHG approach is an effective, efficient and relevant tool for organizing
and empowering the poor and introduction of programs to promote income-generating activities, which will generate sufficient sustainable and regular income.

2.3 EDUCATIONAL AND AGRICULTURAL WOMEN:

Elizabeth Littlefield, Jonathan Murduch, and Syed Hashemi, (2003), examine the needs of the poor and give emphasis on the points that Poor people need employment, schooling, and health care. Some of the poorest require immediate income transfers or relief to survive. Access to financial services forms a fundamental basis on which many of the other essential interventions depend. Moreover, improvements in health care, nutritional advice and education can be sustained only when households have increased earnings and greater control over financial resources. Financial services thus reduce poverty and its effects in multiple, concrete ways. It is concluded that microfinance programs approach financial sustainability and hence they can reach far beyond the limits of scarce donor resources.

Morgot Quaegebeur and Srivatsa Marthi (2005), the authors have made an exploratory case study to assess the educational situations of the children of microfinance clients. Specific impacts of the parents that were studied were the perceived valve of education among them and their involvement levels in their children’s education. Regarding teachers, their effective and motivation levels were studied, as was the way in which teachers and parents interact. This focus would result in a better understanding of areas which require interventions to improve and of how parents and teachers could be involved in this.

Anitha. H.S and Yashoda.R (2013), mention about the status of the women in the Indian economy and how the government has to promote the education and training of the women to create better economy with the empowered entrepreneurs The agricultural sector is guided by the low production and outdated technological processes. The growth can be promoted through the better growth of the productivity in the agricultural sector by employing better conditions. They conclude that depending on number of factors ranging from landholdings, subsidiary occupations, agro climatic conditions and socio-personal characteristics of the rural women and her family members, the areas of micro-enterprises should be developed.
Aparajita. Roy (2015), the author says it India is at its worst in gender in equality, we have only 3% of women vice-chancellors of the 600-odd universities. We need women to be educated and skilled, especially with higher order skill sets. Women are far behind in the choice of subjects, according to some economists, only 15% of women are really paid (employed in formal sector), we need 200 million more to join the workforce to up the GDP by 27% in the coming years.

Panda R K, (2015) has studied SHGs and realized the gap in the members not getting sufficient nutrition as well as education. Members request to migrate to urban areas for fear of loss of land.

2.4 MICROFINANCE:

Joanna Ledgerwood, (1998), Microfinance is not simply banking; it is a development tool. It has been estimated that there are 500 million economically active poor people in the world operating microenterprises and small businesses. Most of them do not have access to adequate financial services. The purpose of this Handbook is to bring together in a single source guiding principles and tools that will promote sustainable microfinance and create viable institutions. The Handbook takes a global perspective, drawing on lessons learned from the experiences of microfinance practitioners, donors, and others throughout the world. This volume covers extensively matters pertaining to the regulatory and policy framework and the essential components of institutional capacity building, such as product design, performance measuring and monitoring, and management of microfinance institutions.

Erhard W Kropp and Suran D S (2002), Linking Banks and Financial SHGs in India, this study has taken up initiatives of NABARD to identify the existence of SHGs, undertake a survey of sample of such groups, draw up a plan of action for channeling the flow of savings and credit between the rural poor and banks through SHGs and identify concrete projects for action research in this field.

Sriram M.S and Rajesh, (2002), have taken up five issues and studied the factors relating to the transformation of Microfinance in India. These factors are size, diversity of services, financial sustainability, focus and taxation. The study reveals the
fact that the work of NGOs would be to raise enough funds from various sources and set up Non-Banking Financial Corporations.

Muhammad Yunus, (2003), the author mentions about how the idea behind the Grameen Bank is ingeniously simple: extend credit to poor people and they will help themselves. This concept strikes at the root of poverty by specifically targeting the poorest of the poor, providing small loans (usually less than $300) to those unable to obtain credit from traditional banks. At Grameen, loans are administered to groups of five people, with only two receiving their money up front. As soon as these two make a few regular payments, loans are gradually extended to the rest of the group. In this way, the program builds a sense of community as well as individual self-reliance. Most of the Grameen Bank's loans are to women, and since its inception, there has been an astonishing loan repayment rate of over 98 percent.

Sriram M S & Rajesh S Upadhyaylu (2003), study the microfinance institutions and their working in various countries. They have made a comparison of the various functions of MFIs in different countries and have concluded that no two countries have an equal rate of success when it comes to the functioning of MFIs.

Brau, James C, Woller, Gary M, (2004), discuss the area of microfinance and the attempts to assess the impact of microfinance as measured by their impact on clients, their enterprises, households, and the communities in which they live. It is found that MFIs work toward a double bottom-line financial and social unlike the typical formal financial institution which works solely toward a financial bottom-line. Measuring financial returns is relatively straight-forward. Microfinance has borrowed liberally from the financial accounting and performance standards in the formal financial sector. The authors conclude by saying that the specific impacts of microfinance are hard to pin down and harder still to measure.

Priya Basu and Pradeep Srivastava, (2005), review the current level and pattern of access to finance for India's rural poor and examines some of the key microfinance approaches in India, taking a close look at the SHG Bank Linkage has been able to reach the poor, examines the reasons behind this, and the lessons learned. The main findings and implications of the paper are as follows: India's rural poor currently have very little access to finance from formal sources. Microfinance approaches have
tried to fill the gap. The paper recommends that, if SHG Bank Linkage is to be scaled-up to offer mass access to finance for the rural poor, then much more attention will need to be paid towards: the promotion of high quality SHGs that are sustainable, clear targeting of clients, and ensuring that banks linked to SHGs price loans at cost-covering levels. At the same time, the paper argues that, in an economy as vast and varied as India’s, there is scope for diverse microfinance approaches to coexist.

**Satyasai K J S, Sahoo B B and Smita N Badajena (2005)**, in their report mentioned about SHGs and its working in 2 states of India namely Odisha and Karnataka. They conclude by saying poor households cannot manage their families with a single source of income, the govt. has allotted commercial banks, co-operative banks and regional rural banks in granting credit to SHGs. NABARD has helped them launching schemes for SHGs to earn income and same. Identifying factors for scaling up the operations has helped in coming out with training programs to SHG members.

**Alok Misra, (2006)**, has mentioned in his paper that the Indian Economy will be the top five economies of the World by 2050. The self-help group- bank linkage programme at present has no social or economic benchmarks for financial inclusion of members. The author concludes that the segmentation of credit demand based on economic and social status is the key to optimum utilization of scarce resources.

**Malcolm Harpe, Thomas Dichter, (2007)**, Microfinance has been a long-lived development fashion. It has been around since the 1980s, and in 2005 it enjoyed the accolade of a UN international year. The reasons for this success are obvious. It reaches millions of poor people, particularly women, and it can be profitable both for some of its customers and also for the institutions which finance it. There are, however, some important problems, discussed in this book. The authors sound a timely warning to governments, bankers, donors and the general public by mentioning how the microfinance can put a stop, and make the agencies to pause, reassess their expectations and re-think some policies.

**Phil Smith, Eric Thurman, (2007)**, A Billion Bootstraps explains how ordinary people can accelerate the microcredit movement by investing charitable donations in specific programs and then leveraging those contributions so the net cost to lift one person out of poverty is remarkably low.
Von Pischke J.D, Ingrid Matthaus-Maier (2009), Microfinance has experienced dynamic development. Today, microfinance providers reach close to 100 million clients worldwide and are growing fast. New partnerships expand the impact of microfinance even further. Three types of partnerships are examined in this book, each consisting of a thematic pillar. Pillar I focuses on equity investments in microfinance, especially the possibilities for engaging private investors through structured microfinance investment funds. Rating agencies are involved in providing more transparency in this emerging fund industry. Pillar II focuses on collaboration among microfinance providers, governments, private investors and technology companies which help microfinance institutions to integrate new technologies into their business models, reducing cost and increasing outreach to clients. Pillar III covers micropensions, microinsurance and the role of securitisation for the future of microfinance.

Vijayakumar A, (2009), prior to initiation of reforms in 1991, Indian banking industry suffered from lack of competition, low capital base, inefficiency and high intermediation costs. Ever since the bank nationalisation of 1969, the banking sector had been dominated by the public sector along with a high degree of financial repression characterised by administered interest rates and allocated credit. Banking sector reforms of the last two decades have placed greater emphasis on structural measures and improvement in standards of disclosure and levels of transparency in order to align the Indian standards with international best practices. Reforms have brought about considerable improvements as reflected in various parameters relating to capital adequacy, asset quality, profitability and operational efficiency.

David Hulme, Thankom Arun, (2009), Microfinance has become an important component of development, poverty reduction and economic regeneration strategy around the world. By the early twenty first century tens of millions of people in more than 100 countries were accessing services from formal and semi-formal microfinance institutions (MFIs). Much of the initial attention on microcredit came through work on Bangladesh’s much-lauded Grameen Bank but, there are now many different ‘models’ for microfinance and many countries have substantial microfinance sectors. This timely book, written by one of the major players in the UK in development economics explores, amongst others, topics such as:
• Microfinance and poverty reduction
• Microfinance, gender and social development
• Microinsurance
• Regulating and supervising microfinance institutions.

Topical and insightful, this important text examines what has become a vast global industry employing hundreds of thousands of people and attracting the attention of large numbers of governments, banks, aid agencies, non-governmental organizations and consultancy firms.

Emerlson Moses (2009), the author discusses the origin of microfinance and talks about the challenges in microfinance. He suggests that microfinance is a powerful tool for uplifting the economy and also suggests that group approach and active participations of the beneficiaries in effective implementation of the program.

Manish Kumar, Narendra Singh Bohra and Amar Johari, (2010), analyses the marketing of microfinance products in rural market and the importance of the microfinance institutions in poverty alleviation. It is found that there is a considerable gap between demand and supply for all financial services and the poor are normally excluded by bankers due to their lack creditworthiness.

Jonathan Morduch, Beatriz Armendariz, (2010), the authors move beyond the usual theoretical focus in the microfinance literature and draw on new developments in theories of contracts and incentives. They challenge conventional assumptions about how poor households save and build assets and how institutions can overcome market failures. The book provides an overview of microfinance by addressing a range of issues, including lessons from informal markets, savings and insurance, the role of women, the place of subsidies, impact measurement, and management incentives. It integrates theory with empirical data, citing studies from Asia, Africa, and Latin America and introducing ideas about asymmetric information, principal-agent theory, and household decision making in the context of microfinance.

Ananya Roy, (2010), this is a book about poverty but it does not study the poor and the powerless. Instead it studies those who manage poverty. It sheds light on how powerful institutions control "capital," or circuits of profit and investment, as well as
"truth," or authoritative knowledge about poverty. Such dominant practices are challenged by alternative paradigms of development, and the book details these as well. Using the case of microfinance, the book participates in a set of fierce debates about development - from the role of markets to the secrets of successful pro-poor institutions. Based on many years of research in Washington D.C., Bangladesh, and the Middle East, Poverty Capital also grows out of the author's undergraduate teaching to thousands of students on the subject of global poverty and inequality. 

**Rangappa. K. R (2011)** mentions about sustained growth of the nation depends critically on financial services coverage of all people. The Self-Group (SHG)-Bank linkage programme in which SHG’s are linked to banks in gradual way-initial through savings and later through loan products-is an effective strategy to ensure financial inclusion. In this backdrop, this study has been undertaken with the specific objective of ‘analysing the role of SHGs in financial inclusion of scheduled tribe households in rural area’.

**Renuka Bai and Veerabhadrappa B P (2011)** discuss that the amount borrowed from SHGs is found to be relatively more among the members belonging to large size group of holding. The members with higher per capita income and higher level of education are members of self-help groups compared to their respective counterparts. The performance of SHGs in promoting member’s participation in bank transaction as well as inculcating saving habits among the members is very much satisfactory. Thus, SHGs could become the effective for accomplishing the distributive objective of monetary policy and for inclusive growth.

**Saikumar C Baramappanavara et all (2011)**, gives a comprehensive picture on microcredit concept and in working principle to fight against poverty. In the beginning, the causes for rural credit problems, reasons for stagnation in the rural society instead of growth and development causing poverty thrift, are reviewed and discussed. Later explanations on definitions of microcredit are given followed by an account of micro-credit experiments and experiences at the world level, with few experiences of developing Asian countries like Bangladesh and India. The “micro-credit outreach to reach the Millennium Development Goals” is discussed and topics for future debate are also raised. It concludes that Micro credit is achieving success in rural poor section can also be extended to urban poor and expect same success.
Uma. H. R (2011) mentions about how India is home to the largest population of poor in the world. Microfinance in India has merged as a powerful tool for financial inclusion. The ‘SHG-Bank Linkage’ programme plays a predominant role in the financial inclusion of poor. The programme is coming up well and being implemented widely across the country. But there is a need to strengthen the SHG-Bank Linkage Programme to fully maintain in with the commercial banking system. The programme is scaling up at a rapid pace in South India, while the progress in other regions is slow. The variations in the performance across the regions, both in terms of reach and quality, need immediate attention. This paper throws light on financial inclusion of rural women through SHG-Bank linkage programme.

Sunil Kumar (2011) mentions how the self-help group bank linkage programme has during last two decades covered more than 8.06 crore Indian poor households, making it the largest community manufacturing programme in the world. However, despite its considerable outreach, successful savings mobilisation and high loan-payment rates, the sustainability of SHG banking has not been clear. To address this problem, several SHG federations have emerged in recent years. Networking of SHGs into federations has been inspired by the felt need of the SHGs that are not able to deal with issues that are beyond their reach. SHGs having a membership of 10-20 women are too small and informal to deal with larger issues to realise the needs and inspiration of women members. Intergroup lending, ability to negotiate with higher level structures and to gain greater bargaining power, are the reasons for formation of SHG federations, which have been promoted by NGOs and the government since mid-1990s. The present study attempts to capture the influence of SHG federations on constituent. Self-help groups by comparing groups belonging to federations with those groups which are not part of any federation in terms of a member of governance and system related and financial management related variables. It is found that SHG federations are promoted for strengthening existing SHGs, promoting new SHGs of the poor and for helping member SHGs to access the various services from government and banking sectors.

Sadashiv O Halasagi and Siddappa .O. Halasagi (2011) have made few observations about SHGs such as there is greater necessity of providing objective guidance to all members as to why the SHGs are meant for and what actual role they
are expected to play. The members, now, resort to use their loans mostly for their domestic needs. They borrow without proper plan of its utilization. Members are to be made to streamline their funds jointly for such activities which will create a few jobs for people. Literacy drive programmes can be implemented for illiterate members of SHGs. Need to stress on extensive awareness campaign and skill development through frequent meetings by experts in banking sector.

**Tariq Masood and Mohd. Izhar Ahmad (2011)** mention that in India, microfinance has played a limited role in this direction. At the present the paradigm of “Financial Inclusion” the debate has moved from microfinance to microfinance livelihoods linkage. There is a growing realization to look beyond the delivery of financial services to offering services for livelihood security, promotion of rural entrepreneurship, technology infusion and marker linkage. There is also a need to innovate and engineer micro financial products to cater to the need of the poor in terms of strengthening their livelihood in general and addressing their vulnerability affecting livelihood in particular. The goals of livelihood promotion may also incorporate creating assets or wealth, increasing food security, reducing risk, reducing variances in income, reducing rural to urban migration, organizing producers to have greater control over their livelihoods, enhancing the money that circulates within the local economy. From this perspective, it becomes obvious that microfinance can only be one input, however necessary, from promoting livelihood.

**Rajeev Singh Bhandari, (2012),** observes that rural people are turning to big and flourish market for MFI and SHG, providing access to microfinance is turning out to be a stepping stone for the poverty alleviation and also for women employment. Basic objective of writing this paper is to find out nature of loan defaulting by taking into consideration the following factors, genders, literacy, experience and marital status and above all to measure the socio-economic impact of SHGs across a set of variables including income and expenditure pattern, literacy positions and savings and credit data.

**Bharat Kumar. R, (2012),** studied the access of Commercial banks towards financial inclusion fund, with NABARD, for meeting the cost of developmental and promotional interventions and a financial inclusion technology fund, with NABARD to meet the costs of technology adoption. Each fund will have an initial corpus of Rs.
500 crore, to be contributed equally by GoI / RBI / NABARD and annual accretions thereto. Banks will be eligible for support from the funds on a matching contribution of 50% from the fund regarding districts other than tribal districts and 75% in case of branches located in tribal districts identified under the tribal sub plan.

**Barman, (2015)**, studies the scope for innovations in harvesting the potential for increasing credit and input demand. It is seen by the author that there is a close linkage between the credit and quotation of input use in the practices of microfinance. The study was based on primary data collected from Sonitpur and Lakhimpur, of Assam state.

**Biswa Swarup Mishra and Ramakrishna Regulagedda (2015)** have described the impact of agricultural finance of the financial health of the credit co-operations. As far as institutional credit is concerned a large amount of credit is through NABARD’s refinancing facility. In conclusion they advised that there is a need to extend the regulated rate of loans for cash crops.

**Deshpande, (2015)**, it all took up a study at Raiberli District of UP and made an empirical analysis of a Non – Banking Financial institution. It is found that there is a high repayment amount members of SHG’s due to the positive facilitating environment and efforts of the institution. The company grants means for education, marriage etc., which makes members repayment prompt.

**Gopa Kumaran Nair. G, (2015)**, studied the 30 SHG’s in Kerala and concluded that multiple membership in groups is very high in Kerala. On account of mounting formalities associated with SHG – BLP, members prefer to resort to loans from Nan Banking financial institutions.

**Gyanendra Mani and Suparna Tandon (2015)**, comment on how micro credit should be accompanied by other social security schemes such as MNREGA, micropension schemes etc for people in distressed areas of Jammu and Kashmir, Rajasthan and Andhra Pradesh. According to them, sustainability and economic empowerment will be based on ensuring qualitative aspects of income generating activities.
Indrayani Katti and Deepthi Sadhani (2015), are of the viewpoint that many women in co-operative credit societies have also taken initiation in lending microfinance to target group of women with the main motto to build self-confidence and self-esteem by supportive push to empower them. Many poor women are making productive and profitable use of it and making their life happy. But definitely the Shri Lakshmi Mahila Urba Co-Operative Credit Society’s micro credit is more beneficial and convenient to poor women as the rate of interest ranges from 14 to 16% as compared to microfinance institutions which is exorbitantly high. In co-operative societies the micro credit is available to the women on easy terms and conditions without many formalities and without security. The women co-operative sector has to move beyond providing micro credit for small units, it has to offer a wide range of tailor-made financial services like health and general insurance, remittances, etc., that can really empower and also enable them to reduce their risk and vulnerability which are advantageous to both the women as well as institutions.

Krishnan.C (2015), finds from his study microfinance programme should address the consumption pattern of the tribals besides concentrating on promoting income generation programmes. Similarly, the programme should also attend to converting the income and savings generated through microfinance of tribals to assets building. In addition, the exploitative practice adopted by the informal agencies in the form of credit-labour and product-credit linkages should also be addressed. More efforts are necessary to expand the livelihood diversification among the tribals are their reliance to their primary occupation in shrinking in the study area in the wake of increasing farmers suicides due to the fall in agricultural prices. The findings of the present study do not lessen the role of NGO supported microfinance initiative. Given the same socio-economic background among the target and control programmes under study, the positive impact of microfinance on the target group is a real testimony of the magical effect of microfinance. If efforts are strengthened in tune with the relations of the study, one can expect that microfinance can be a potent tool in the march towards tribal uplift.

Madhumajari Chakravarthy, (2015) feels that the Govt. should work on collective grouping of members in Kolkata where members are interested in having credit for oneself.
Pinky Dutta and Debrata Das, (2015) mention about how the MFIs have adopted group based lending with the objective of decreasing transaction costs. It has been observed that MFIs disclosed interest rate, processing fees etc to the borrowers with idea of continuing the longterm relationship.

Raja Reddy K and Reddy RCS (2015), have studied the tribal SHG’s and concluded that reaching the un-reached should be the priority of Govt. agencies. The major drawback for the tribal is exorbitant rate of interest and losing of assets through mortgage. This happens due to the fact that tribal fall prey to the informal money lender.

Raja Reddy K, Reddy C S & Prahalladaiah S, (2015) have assessed the quality of SHGs in Bihar and Orissa through critical rating index. SHGs in Bihar are of better quality, with support from NRLM. In Orissa there is a need to handle the non performing assets.

Sunil Puliyakot and H.K. Pradhan, (2015), comment in their paper that Micro finance is expected to reduce the dependence of its borrowers on other external sources of credit. Repayment rigidities of microfinance forces the borrowers to look for other sources of loans to keep meeting the loan repayment commitments. A comprehensive approach to regulate micro – credit markets, rather than regulating only the MFI’s should be taken up on priority basis as per the study.

Samir. R. Samantara, (2015) took up a study of SHG members and SHG loans in Arunachal Pradesh where it is found that goals of capacity building, expanding choices and safeguarding freedoms cannot be achieved unless the development process is made more inclusive and transparent in nature.

Sharma G V M, Suchitra and Ramu. J, (2015),assess the microfinance sector in India as a developed successful and sustainable business model which has been able to overcome challenges traditionally faced by the financial services sector in servicing the low income population by catering to its specific needs, capacities and leveraging pre-existing community support networks. Poor, like the rest of society, need financial products and services to build assets, stabilize consumption and protect themselves against risk. According to the author, Microfinance serves as the last-mile bridge to the low-income population excluded from the traditional financial services
system and seeks to fill this gap and alleviate poverty. This paper addresses the current issues which includes the lending model, loan repayment structure, products offering etc. Paper concludes that microfinance institutions must introduce new lending models, strengthen the procurement and distribution of funds, enhancing networks and conduct a research study to set regulatory and supervisory norms. Main conclusion of this paper is that microfinance institutions must introduce new lending models, strengthen the procurement and distribution of funds, enhancing networks conduct a research study to set regulatory and supervisory norms etc., for which the govt. should take out initiative to form separate legislations to follow the common procedures for loan repayment structure and calculation of interest rates applicable no different segments.

Tripathy S N, (2015) studied the concept of microfinancing in the areas of Orissa and concluded that due to social, cultural and geographical reasons, rural people migrate to cities as a seasonal obtain. Migration based work and earnings are the major source of survival for people of Bolangir and Kalahandi districts of Orissa.

Vinita Kalra, (2015), mentions about the concept of joint liability group model where all means are only for enterprise promotion. It assumes that all poor want to be self employed. It has been concluded that repayment records of group based credit are much better than traditional commercial banks.

2.5 INNOVATIONS IN MICROFINANCE:

Mittal Jhankrity et al (2007), have mentioned in their article that SHGs based microfinance aided by NGOs have become an important alternative in reaching India’s rural poor. The gap between demand and supply of Microfinance is too wide and hence the authors have recommended more NGOs to participate in bridging the gap.

Manish Kumar, Narendra Singh and Amar Johari (2010), the authors mention about the various schemes of financing by the agencies of Govt. of India. Of these NABARD and its programs of re-finance offer to the rural sector has helped all banks to involve in micro finance. The potential for growing MFIs in India is very high and 20% growth rate was predicted for the next 5 yrs.
Basavaraja P M and Shollapur. P M (2011) assess credit of the vulnerable sections of the society which is the main objective of financial inclusion. Banks play an important role in providing access to credit for the needy people. Financial inclusion can be achieved through an effective Credit Delivery System. The study is based on key banking statistics collected from district credit plan reports of Tumkur district. The study measures the financial inclusion from the perspective of growth rate in overall credit flow of all agencies, agency wise credit flow as well as activity wise credit flow. Further, the study also measures the achievement of targeted credit flow of all agencies across selected activities. The study concludes that there is a positive growth in overall credit flow, but is not consistent across all agencies and all activities.

Sham. Bhat V (2011) mentions that Microfinance refers to small savings, credit and insurance services extended to socially and economically disadvantaged segments of society. In the Indian contest, the terms like “small and marginal farmers”, “rural artisans” and “economically weaker sections” have been used extensively to define microfinance customers. The recent Task Force on Microfinance has defined it as “provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi urban or urban areas, for enabling them to raise their income levels and improve living standards”. At present, a large part of microfinance activity is confined to credit only. Women constitute a vast majority of users of micro-credit and savings services. It is the nod of the hour to study the role of the microfinance in the context of the women empowerment. Against this background, this paper discusses microfinance and women and also presents at length the necessary story of SKDRDP in the field of microfinance by empowering rural poor. Microfinance can be a powerful instrument initiating the process of growth and development of the poor and under privileged sections of the society. MFIs are indeed effective weapon in the war against poverty. The SHG –bank linkage approach is found to be an effective instrument by which very poor people can access liberal formal credit without any collateral security and simultaneously improve their habit of thrift.
Baligatti YG and Shridevi V (2011) Patted observe that the strong and resilient financial sector is considered necessary for accelerating the economic growth of the nation. The financial sector is said to be sound and vibrant only when it takes into account the vital component of financial inclusion that provides equal opportunity to all economically and socially excluded people. Financial inclusion plays a critical role in the financial system where it is termed as a tool of poverty alleviation. As per the UNO reports, two billion people across the globe and about more than 90 percent people in the least developed nations are excluded from the financial services. There is a need to develop extensive financial system that could tap savings and then channel the funds from hitherto excluded sections of the people so as to avoid the income inequalities and to accelerate the economic growth. The scheduled commercial banks in our country, in particular, are playing a significant role in promoting financial inclusion. Hence this empirical study is undertaken with a view to assess the role of commercial banks in promoting the financial inclusion at the national level. The discussion on financial inclusion in this study covers the key dimensions such as occupation-wise credit flow, population-wise CD ration number of credit accounts and credit amount outstanding, gender-wise distribution of deposits and credit.

Anjana K, (2012), discusses about the financial literacy which has become an immensely popular component of financial reform across the world. In India, the RBI launched an initiative in 2007 to establish financial literacy and credit counseling centers throughout the country which would offer free financial education and counseling to urban and rural populations. This paper explains that financial literacy varies across socio-economic groups and their neighborhoods. Although government schemes do help but the practical benefit that such schemes offer is too limited. Probably a Public-Private partnership in achieving better financial literacy in India is needed.

Renuka Sane and Susan Thomas (2012) the authors make an effort to study the reports of Malegam Committee, 2011 and focus on NBFC – MFI. According to the authors NBFC – MFI has to maintain a capital – adequacy ratio and provisions for loan losses. The report goes to mention about the purpose of loans, rate of interest charged, location where the loan is sanctioned and details of consumers. Naveen K
Shetty, et all, (2013), discuss that Microfinance programs worldwide are considered as one of the most effective tools to fight against poverty. Wide range of studies acknowledges that microfinance is successful mechanism to teach the Bottom of the Pyramid, particularly women who are more vulnerable to many of the socio-economic, political, cultural and environmental shocks and risks. Therefore, building their livelihood in a more sustainable way will help themselves as well as their household. In this context, the purpose of this paper is to develop an analytical framework which links the microfinance initiatives in promotions of sustainable livelihood. Further, the paper also makes an effort to investigate the empirical evidence of microfinance programs in promoting livelihood promotion in rural India. The study brings out a meaningful link between microfinance initiatives and livelihood promotions in rural India. The empirical analysis shows that SKDRDP’s initiatives have contributed in timely access to various financial and non-financial services through its integrated approach. These initiatives have contributed major shift the livelihood outcomes. This study concludes that modern microfinance sector needs a maximalist approach in reducing the poverty and vulnerability of the rural women. However, further research attempts can also be initiated to understand the inter-institutional contribution in the promotion of livelihoods in rural areas.

Priya S Shetty, (2013), mentions about the poverty alleviation measures and the role of govt. of India in implementing employment programs like Swarnajyoti Gram Swarozgar Yojana, where the major emphasis has been laid upon SHG formation, social mobilization and economic activities through microfinance. Simultaneously, govt. also supports national bank for agricultural and rural development and other govt. and non-govt. organizations. NGOs to take up activities like group formation, micro credit and economic activities, the main objective of the paper is to highlight the meaning and importance of microfinance in India, its implication on the social sector specially women, poverty and health, these areas under the social sector are interconnected and interlinked with each other.

Anitha H S and Sowmya. K.R (2013) discuss about Policies and Schemes for Women Entrepreneurs in India. According to the authors, significant Government and local initiatives have been introduced with the intention of stimulating entrepreneurship among women. The 1991 Industrial Policy has envisaged special
programs to support women entrepreneurs. Accordingly, women entrepreneurs are receiving training through Entrepreneurship Department Program (ESP) conducted by various institutions and organizations both at central and state levels. Ultimately, however women entrepreneurship must be recognized for what it is. Nationally it has great importance for future economic prosperity. Individually, business ownership provides women with independence they crave for and with economic and social satisfaction. The Micro, Small & Medium Enterprises development organizations, various State Small Industries Development Corporations, the Nationalised banks and even NGOs are conducting various programs including Entrepreneurship Development Programs (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. The Office of DC (MSME) has also opened a Women Cell to provide co-ordination and assistance to women entrepreneurs facing specific problems. A holistic program covering all aspects of self employment was introduced by the Government of India in 1999, which is popularly known as Swarnajayanti Gram Swarozgar Yojana (SGSY). Generation of self employment for the poor in rural areas is one of the important components of anti-poverty and rural development strategy adopted by the Ministry of Rural Development. SGSY is a single cell self-employment program for rural poor aimed at establishment of large number of micro enterprises.

RoyMersland and R. Oystein, (2014) in their paper explain the need for Innovations in wireless technologies as these will probably shape the future of microfinance methodologies. They have found that the greatest innovation is the discovery of the new market among poor people. The concentration upon meeting poor people’s demand for financial services is the defining character of microfinance. It is concluded that microfinance institutions should and manage the transition from idealism to regular business activity.

Venkatesh S and Vanishree M R (2014) discussed about an increasing proportion of elderly population (65 yrs and above) combined with a dramatic abundance of elderly women in comparison to elderly men, illiteracy, discrimination in beholding of property, disparity in socio-economic status and added with their health seeking behavior will be a greater challenges in coming decades. Both, aging and feminization strongly affects the overall socio-economic condition of both developed
and developing countries. The present paper is an attempt of understanding the socio-economic implementation of feminization among elderly population and supporting role played by micro financial institution in India.

Amulya Gopalakrishna, (2015) mentions that digital technology can strengthen and weaken different networks, but it does not alter social fundamentals. Change depends on human intent and capacity and such techie-triumphalism can distract policymakers from their real challenges. Children do not learn by themselves with computers, schools are not bettered with technology alone. In fact, computers often sharpen differences – those with more education and cognitive literate or non-literate. Healthcare does not necessarily improve with handheld across to the best market, rural roads need to work well, mobile phones are marginal without them.

Chintala G R (2015) discusses about the SHG – Bank linkage programme as a potential platform for poverty alleviation in India. SHG – BLP requires maintenance of a strong, transparent and up to date information system of SHGs on both, financial and non–financial parameters which could generate various returns and reports for information of its stakeholders. Digitization can make the information easier to preserve, access, analyze and generate various reports and share it with stakeholders, financers, development agents, researchers, policymakers, etc:. This can reduce the transaction costs by minimising the need for human resources for maintenance of volumes of physical records. NABARD has launched a pilot project for digitization of SHG date base under project E Shakti which envisages mapping of the existing SHGs in the district (bank wise, branch wise) by capturing of detailed financial and non – financial information about the SHG and its members and uploading them through customised software.

Mahinder Kumar, (2015) has found from his study of Micro enterprises of self help groups under Swarnajayanthi gram Swarozgar yojana that Kashmir valley are mostly operated as Employer – employee enterprises. The group leader acts as the employer and the group member act as employees. It is concluded that J & K State requires structural issues to be addressed for sustainable development.

Sunil Kumar, (2015) attempts to study the influence of SHGs of different federations sustained by granting loans for housing, education and festivals too. Parameters
related to savings, lending, bank linkage etc depends on factors such as lend to awareness, rules and regulations etc.

Sorokhibam Somina Devi, (2015) remarks in her article that NGOs can carry out village potential mapping with NABARD in order to have knowledge about the availability of raw materials for income generating activities.

Vimala V and Sarala K S (2015) assess the programme like Integrated Rural Development Programmes (IRDP) and conclude that it was not adequate to meet all the requirements. The latest schemes of the Government for an effective Self-Employment programme is ‘Swarnajayanthi Gram Swarojgar’ Yojana (SSYG) Scheme. The authors conclude that IRDP was the only self-employment programme. Beginning with Training of Rural Youth to Self-Employment (TRYSEM), a number of allied programmes have been added to over the years such as Development of Women & Child in Rural Areas (DWCRA), Supply of Improved Tool kits to Rural Artisans (SITRA) and Ganga Krishna Yojana. (GKY) The multiplicity of programmes, being viewed as separate programmes in themselves, resulted in lack of social Intermediation, absence of desired linkages among these programmes and the implementation being more concerned with achieving individual programmes targets rather than focusing on the substantive issues of sustainable income growth. To rectify programme known as “Swarnajayanthi Gram Swarojgar Yojana (SGSY)”.

Shabarisha. N (2015) mentions about launching of various schemes and Programs exclusively meant for the upliftment of women sector. The government of India passed a relevant Act and launched many special development projects and Programs on ‘women development’ for the purpose of enhancing their empowerment by organising Socio-economic activities. There seems to be an increasing trend of participation of women in public and organised sector as a result of a changed level of educational facilities. But in private as well as in unorganised sector, especially in the area which is attributed to be more involvement of women and their participation in decision – making, it has got very low value. It is concluded that, there is an urgent need to organise women through the schemes of Self-Help groups to empower women both socially and economically.
Sowmya Kanti and Pulak Ghosh (2015) mention that it has now been just mover than a year since the Pradhan Mantri Jan Dhan Yojana was launched with the idea of providing banking facilities to the poorest of the poor. In this year PMJDY has created a huge base of bank accounts for much of the unbanked population, upon which will take shape all future developments in financial inclusion space. Its effectively in rural areas is emphatically proved by a large random sample study of Jan Dhan accounts opened by SBI between August 2014 and May 2015.

Shashi Sinha (2015) the “We Program” is a PPP project promoted by the sustainable development goals in support of human rights and development. As a first step, the initiative will feature activities like training programmes on gender issues, basic rights and economic sustainability for women and their families.

Shylaja. H.N, (2015) mentions that financial inclusion has become the buzzword among the policymakers and bankers and in academic research. It is considered as an integral part of the efforts to promote inclusive economic growth. Financial inclusion has been utmost priority for the government of India as well as the Reserve Bank of India. Financial inclusion is a social obligation for the government, business opportunity for the banks and financial institutions. Financial inclusion represents the access to safe, easy and affordable financial services for poor, vulnerable groups, disadvantaged areas for accelerated growth and for reducing income disparities and poverty. Financial literacy is a prerequisite for effective financial inclusion which will ensure that financial services “reach the unreached and under-reached sections of the society”, there are various reasons why people are unbanced and one of the important reasons being ignorance to major banking services and unawareness about the banking products and also unawareness about which product suits them the best.

It is concluded that apart from the initiatives that the banks have undertaken, they also have been instructed by the RBI to give utmost importance to spread financial education and thereby bring about financial literacy to